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Struggle sharpens in Portugal,

By WILFRED BURCHETT
Guardian staff correspondent

Paris

The government of Portugal arrested 11 prominent businessmen last month, charging them with "economic sabotage." A dozen others, who escaped arrest, are in hiding.

The crackdown is the latest in a series of moves against the right since the antifascist coup last April.

The arrests took place during a period of sharpening class struggle as Portugal prepares for elections to a constituent assembly in three months.

In the recent period there has been an intensification of political activity, disclosure of a debate within the Armed Forces Movement (AFM) regarding its future role, some progress on decolonization and a decision by the U.S. to put a \$75 million foot into Portugal's door.

The three political parties represented in the present transitional government have all concluded party congresses, defining but not yet announcing their electoral strategies. They are the Communist and Socialist parties and the Popular Democrats. (The latter define themselves as Western European-type social democrats, as distinct from the Socialists who define their position as Marxist.)

Perhaps most important of all, the Armed Forces Movement also held a "plenary assembly" which amounted to a congress, with some 200 officers of all three services taking part. It is believed that among the subjects discussed was whether the AFM would take part as a political movement in the March 31 elections. It is known that there are divisions in the AFM on this question.

The Communist party favors a democratic front, formed of the three parties in the present coalition plus others like the "Socialist Left"—which is not represented but lends critical support to the provisional government—and the AFM, as a political entity in its own right. Such an electoral alliance would be unbeatable. But the Socialist and Popular Democrats have been deserting the present triple alliance—the Portuguese Democratic Movement (PDM)—because they claim it is "Communist-dominated." Although electoral strategies have not been finally defined, it seems certain the Socialists and Popular Democrats will stand as separate parties.

AFM ROLE

In a recent interview with the French newspaper *Le Monde*, acting President Gen. da Costa Gomes said that he was "personally hostile to any participation of the AFM in the constituent assembly" and that he was against any "partisan political engagement by the military. . . ." He qualified the statement by saying he was "profoundly liberal and a democrat who would accept the majority decision." This means the question of AFM's political and parliamentary role has definitely been posed.

The plenary assembly of the AFM in any case, reaffirmed the unity within the officers' movement and the determination to "totally implement their program."

An important point in their program defined a new economic policy as one "at the service of the Portuguese people, particularly those who until now have been the least privileged classes with immediate emphasis on the fight against inflation and the excess living costs which necessarily implies a strategy against the monopolies."

A report on emergency measures to deal with economic problems was presented at last month's plenary assembly by Mai Melo Antunes, one of the most politically minded

elections near

of the AFM leaders. It could hardly be accidental that businessmen, mostly bankers, were arrested soon afterward.

It is significant also that the arrest warrants were issued by Brig. Gen. Otelo de Carvalho who masterminded the military part of the April 25 coup and now heads the Lisbon military command and is deputy head of the anticoup COPCON command. The arrests were also approved by Prime Minister Vasco Goncalves and it is interesting that it was the PDM which first revealed the arrests with obvious approval.

In August I had asked Communist party leader Alvaro Cunhal whether it was possible to solve the country's economic problems within the framework of the AFM's program. He replied, "No. They cannot be solved within the present framework. We can take partial measures to prevent the worst. . . but an economic crisis is almost inevitable. Certain basic measures, however, will be taken. We have to tackle the monopolies. . . ."

Replying to the same question, Prime Minister Goncalves said, "We are hopeful that we can overcome these economic difficulties. But it cannot be done from one day to another. There will be a real policy of austerity. There will be sacrifices which must be shared by all social classes." He warned that the reactionary forces were still strong. It was already clear by then that the local and multinational monopolies were sabotaging the economy—and within a month were actually involved in an attempted coup.

Feeling within the AFM understandably turned sharply against the monopolies when many of them found their names on a blacklist of those to be summarily executed if the September coup had succeeded. AFM's relations with the Democratic Movement became closer because the PDM had accurately warned what was afoot.

Recently Portugal has been "honored" with a visit of the deputy director of the CIA, Vernon Walters. Foreign Minister and Socialist party leader Mario Soares was quoted as saying that Walters "shows sympathy for our efforts and at no moment indicated possible intervention in our internal affairs." The CIA-type "sympathy" that most militants expected from the CIA was that which a diner shows toward a steak. It is highly doubtful that the assessment of Mario Soares, despite his considerable prestige in the country, is shared by the leaders of the AFM. Trade union activists argue that the CIA had been

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